



# *Annual Report*



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# Glossary

- IS – Information Systems
- IWMP – Integrated Waste Management Plan
- KPA – Key Performance Area
- Kwh – Kilowatts per hour
- LED – Local Economic Development
- LGSETA – Local Government Skills Education and Training Authority
- LM – Local Municipality
- MANCO- Management Committee
- MAP – Municipal Assistance Programme
- MEC- Member of the Executive Council
- MFMA – Municipal Finance Management Act
- MIG – Municipal Infrastructure Grant
- MM – Municipal Manager
- MPCC- Multi-Purpose Community Centre
- MPRA – Municipal Property Rates Act
- MPPs- Mass Participation Programmes
- MSA- Municipal System Act
- MSIG- Municipal Systems Improvement Grant
- MSP- Master Systems Plan
- NDPG- Neighbourhood Development Partnership Grant
- NEMA- National Environmental Management Act
- NKPA – National Key Performance Area
- NSDP- National Spatial Development Plan
- OHSA- Occupational Health and Safety Act
- PGDS- Provincial Growth and Development Strategy
- PMS – Performance Management System
- PPP – Public Private Partnership
- PWD- People With Disabilities
- SAFA- South African Football Association
- SALGA- South African Local Government Association
- SAPS- South African Police Services
- SARS- South Africa Revenue Services
- SASSA – South African Social Security Agency
- SDBIP – Service Delivery Budget Implementation Plan
- SDF- Spatial Development Framework
- SMME – Small Medium and Micro Enterprises
- TCE- Total Control Epidemic
- VAT- Value-Added Tax
- VIP- Very Important People
- VPN – Virtual Private Network
- WSP- Workplace Skills Plan
- WWTW – Waste Water Treatment Works



# Mayor's Foreword

The warmest greetings to all of you!

Once again I wish to convey my heartfelt gratitude in presenting to you the Annual Report for the 2009/2010 financial year.

This is the year that has been characterized by improvement in the socio-economic conditions of the country although the rate of unemployment is still very high. The country did host a very successful World Cup and some spin-offs were felt locally even though it was not at a big scale. The economic growth derived from the World Cup will take time to be felt by us locally. We still have a challenge in terms of collection of revenue. We do however hope that the recent write-offs of rates debt for the indigent people and the poorest of the poor will make a difference and motivate those who can afford to pay.

We have successfully implemented 80% of our original IDP projects. Where we had challenges it was due to the fact that those projects were to be financed from outside funding which has unfortunately not been coming due to the recent economic crisis in the country and the fact that a lot of money went to finance infrastructure in preparation for the World Cup.

Thank you for the continuous support you have always shown to our municipality and our people.



CLLR B L MAGWAZA  
HIS WORSHIP THE MAYOR

# Chapter 1

## 1.1 INTRODUCTION

In terms of the Municipal Systems Act (as amended), municipalities are required to prepare an Annual Report which constitutes the overall performance of the municipality and also has to be prepared in terms of the Municipal Finance Management Act.

The legislative requirement informing the development of the Annual Report includes the Constitution, Municipal Systems Act, Municipal Finance Management Act, Municipal Planning and Performance Management Regulations, White Paper on Local Government and Batho Pele principles. However, the main regulatory mechanism for Performance Management System is Chapter 6 of the Municipal Systems Act, (Act 32 of 2000) and the related Municipal Performance Management Regulations and Municipal Finance Management Act.

The MSA requires that all Municipalities:

- Develop a Performance Management System,
- Set target and monitor and review performance based on indicators linked to their IDP;
- Prepare an Annual Performance Report on the performance of a municipality forming part of its Annual Report as required in terms of the MFMA;
- Incorporate and report on a set of general/national indicators prescribed by the Minister responsible for local government
- Conduct on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor-General
- Involve the community in setting indicators, targets and reviewing of municipal performance

The Municipal Planning and Performance Management Regulations further detail the requirements of a PMS. The Municipal Systems Act and the Municipal Finance Management Act requires that the municipality must prepare and adopt its Annual Report.

This Draft Annual Report at this stage covers the performance highlights of the municipality during 2009/2010 financial year on the National Key Performance Areas as specified in the 5 Year Local Government Strategic Agenda, the Audit Committee Chairperson's Report and Annexures.

- Generally liaising with parties to ensure efficiency.

### 2.1.2 SPATIAL PLANNING

- Evaluating and providing comments in all statutory development applications in accordance with the municipal development objectives.
- Assessing statutory planning applications and writing of reports to Council to guide decision-making and provide professional perspective.
- Managing and advising developers and the community on key development processes and requirements.
- Participating in meetings/discussions and presenting strategic information to the Provincial Task Team on the proposed Macambini Multi-Billion Rand Development.
- Managing the key performance areas associated with the Municipal Development Planning functions.
- Responsible for the preparation and implementation of the Land Use Management System.

### 2.1.3 STRATEGIC PLANNING

- Overall control and management of the IDP/Development Planning unit in terms of ensuring implementation and adherence to Council Policies.
- Responsible for the preparation, review and implementation of the Integrated Development Planning as per the legislative provisions
- Responsible for the execution of all administrative and managerial duties related to the effective functioning of the IDP & Development Planning Unit
- Providing advice and opinion to the Portfolio Committees, Executive Committee and Council in terms of National and Provincial Development Planning Legislations.
- Responsible for the preparation of reports and conducting presentations to Council as a means of disseminating, functional and operational information.
- Coordinating the process of public consultation and stakeholders on IDP
- Providing strategic direction and creating guidelines for effective functioning of the unit.
- Providing input/ technical assistance and advice to staff, including holding regular meetings.



**INDUSTRIAL DEVELOPMENT STRATEGY:** This is an IDP project that was initiated by the Development Planning strategic business unit, which applied for funding from the Corridor Grant where it was agreed that it has to be driven at the level of the District Municipality. Given our strategic objectives of expanding the Industrial area the project is monitored very closely and we ensure that its original or intended outcomes are not lost along the way. It is against this background that we have been very vocal on how the project should be undertaken, we actively serve in the Project Steering Committee and we ensured the involvement of a representative from Ithala. It can be recorded that thus far we have managed to make meaningful representation and ensure that the expectations as per the conceptualization of the project are met.

**URBAN REGENERATION STRATEGY:** This is the project that is directly linked to the NDPG funding, it can be recorded that the Urban Regeneration Framework has been completed and was tabled before the EDPC for consideration on the 05<sup>th</sup> November 2009 for in principle adoption subject to Public Consultation. It is anticipated that the Urban Regeneration Strategy and SDF would be workshopped simultaneously to the public community. It can be recorded that as a result of this exercise we have received a request for land to build offices from the Department of Social Development and a meeting has been held to discuss the modalities. It can be recorded that an investment of approximately R10,5 million will be made in this financial year.

**ENVIRONMENTAL MANAGEMENT FRAMEWORK:** The Mandeni Municipality intends to prepare an Environmental Management Framework for the Primary Development Areas within the Mandeni Local Municipality, and broad level biodiversity assessment of the Mandeni Local Municipality, Ilembe District Municipality in terms of the NEMA EIA Regulations (2006).

**DEVELOPMENT CONTROL AND ADMINISTRATION:** The Strategic Business Unit has continuously provided guidance and Town Planning Technical input to the Housing Implementing Agents in relation to the housing projects. In particular a joint meeting with the Department of Human Settlements, Community Representatives and Ward Councillors was convened to discuss KwaMathonsi/Sundumbili ward 12 infill projects. It should be remembered that there has been a dark cloud regarding the policy of one house per Umuzi. The Manager IDP chaired the meeting and was able to clarify a number of planning issues and brought confidence to the community members. It can be recorded that a similar meeting between the Department of Human Settlements, Ward Councillor, Ward Committee Members and Implementing Agent for Inyoni Housing was convened to bring clarity about the inclusion of the affordable housing component in the project as well as the process involved in the delivery of houses. In this meeting again the strategic business unit was able to lead the meeting by explaining the process and the timeframes involved in the delivery of houses.

**ADMINISTRATIVE WORK:** The strategic business unit has played a pivotal role in the compilation of the information for the Assessment of Service Delivery in Local Government. This is the initiative by DPLG aimed at determining the reason for the recent community protests about the delivery of services. The strategic business unit has successfully performed its duties of chairing the specification committee, it can be recorded that specification committee has been effectively





- Due to previous experience the local community has lost confidence and hope in the municipality and as a result of that they do not want to effectively participate in matters of local government.
- Local community does not have the knowledge about the concept of IDP as a result of that they do not play their role in this regard.
- Effective Public Participation is not fully effective

#### 2.4.2 PRIORITIES FOR IDP 2010/2011

- It is hoped that the operation of shared service will address low human capacity of this section and accelerate the implementation of the IDP priority projects.
- To strengthen the effective local and district relationship.
- To continue sourcing funding for projects.
- To continue encouraging the involvement of local communities in the matters of the Municipality.

#### 2.5 BACKLOGS IN SERVICE DELIVERY

SECTOR	POPULATION	HOUSEHOLD	2006/2007	2007/2008	2009/2010	TOTAL BACKLOG
WATER	131,830	37,798	25,913	24,081	23,461	26,313
SANITATION	131,830	37,798	12,491	10,691	9,841	15,931
REFUSE	131,830	37,798	4719	4719	6719	26,982
ELETRICITY	131,830	37,798	12380	12380	11180	11180
HOUSING	131,830	37,798	19891	19891	18891	17391

The above services are rendered by the different institutions or authorities or sectors such as Ilembe District Municipality being responsible for water and sanitation, ESKOM for electricity, Department of Human Settlements for housing and refuse being the responsibility of Mandeni Municipality. They all have on top of their agenda the minimization of these backlogs after they were engaged by Mandeni Municipality during the previous IDP reviews. It should be noted that as part of the Municipal Turn-Around Strategy we have set ourselves a target to meet with various services authorities quarterly, these meetings provide a platform for the Municipality to communicate the needs of the community in relation to different services.



Table 1

Occupational Categories	MALE			FEMALE				White Male	Foreign National		TOTAL
	A	C	I	A	C	I	W	W	Male	Female	
Legislators, senior officials and managers	7	1	2	5		1		1			17
Professionals				2							2
Technicians and associate professionals	4										4
Clerks	12		2	19	2	2	4	1			42
Service and sales workers	13	1	0	5	1	0	1				21
Plant and machine operators	47	0	0	5	0	0	0				52
Elementary occupation	7	0	0	7	0	1	0				15
AL PERMANENT	90	2	4	43	3	4	5	2			153
Non-permanent employees											
TOTAL	90	2	4	43	3	4	5	2			153

Target / Numerical goals you have set to achieve for the total number of employees (including people with disabilities) at the end of the current employment equity plan in terms of occupational categories. Notes: A=Africans, C=Coloureds, I=Indians and W=Whites:

### 3.1.2 HUMAN RESOURCES DEVELOPMENT

This section ensures that staff and councillors are sent for training following the adoption Municipal Workplace Skills Plan.

#### Workplace Skills Plan and Annual Training Reports

The Workplace Skills Plan and Annual Training Reports were compiled by the Skills Development Facilitator and adopted by the Training Committee (Human Resources Development Committee) on 23 June 2010 and submitted to the LGSETA before the deadline date of 30 June 2010.

It should be mentioned that the Mandeni Municipality has since received an Assessment or Evaluation Report of its WSP and Annual Training Report for 2010 from LGSETA national office and the municipality has obtained positive results.

In terms of the KwaZulu-Natal LGSETA Provincial Report on the Workplace Skills Plan Reports submissions and compliance by all municipalities in KwaZulu-Natal for 2009/2010, Mandeni Municipality was rated as 100% compliant.



1	Technical Services	Driver – Retired	1	
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### 3.1.5 PERFORMANCE MANAGEMENT SYSTEM

The Municipality still has not been able to cascade individual performance management system to all the staff because of impasse with unions at the bargaining council level, however, it was cascaded to section 57 employees according to the Municipal Systems Act of 2000 including the Municipal Manager. There were also performance assessments done to all section 57 employees following Performance Regulations of 2006. Organisational Performance Assessment was also conducted by the Audit Committee and the Municipality was considered to be progressing well on its way to achieve its goals as set out in the IDP.

### 3.1.6 EMPLOYEE WELLNESS

Employee Wellness duties were allocated to the Assistant Manager Administration who is managing it very well and provides report to MANCO on monthly bases. Face to face counselling takes place twice a week and monitoring is done regularly through supervisors and managers of departments. Presentations from external assistance are also given to employees such as Debt Counselling. HIV/Aids Awareness Campaigns are done through sports events. Employees are benefiting from this function.

### 3.1.7 MUNICIPAL INFORMATION TECHNOLOGY AND INFORMATION SYSTEMS

As a means to upgrade our systems a research was done on all the IT & IS needs within the whole municipality whereby managers had to submit their needs. Thereafter, a specification was developed and as a result new computers and laptops were bought. Large photocopiers are in the process of being upgraded for multi-functional usage whereby they will not only make copies but scan, print and fax. Information required by the MFMA regulations is constantly updated on the website together with notices and available vacancies.

The Municipality has revamped its website to be more appealing to the users and also to comply with the clauses of the Municipal Finance Management Act. The Department of Corporate Services ensured that information is transferred to the new website including the scanning of policies and uploading of resolutions.





### 3.2 PERFORMANCE AGAINST STRATEGIC OBJECTIVES – SDBIP

NATIONAL KPA		CORPORATE GOVERNANCE AND PUBLIC PARTICIPATION						
KPA	Strategic/ IDP Objective	KPI	Budget	2008/2009		2009/2010		Status and Comments
				Target	Actual	Target	Actual	
Good Governance	Adoption of policies	Consultation with relevant stakeholders	R0	Adoption of the retention policy and other policies listed above	9 policies were adopted.	Review and adoption of policies	Two policies were workshop	The adoption of the policies was delayed due to the world cup and other urgent activities
Transformation	D.2 Improvement of IT / IS	Consultation and presentation of the draft	R350 000	Formulation of IT Disaster Recovery Plan and MSP	IT disaster Recovery Plan and Master System Plan were formulated.	Installation of VPN, 1 Licence for 28 computers, Electricity generator and Cooling servers cabinet	Installation of VPN, 1 Licence for 28 computers and Electricity generator	
	Compliance with the relevant legislation and collective agreements.	Submission of WSP	R0	Submission of WSP on time to LGSETA	Met the deadline of Submitting WSP to LGSETA	Submission of WSP on time to LGSETA	Met the deadline of Submitting WSP to LGSETA	
		Recruit in-service trainees		0	0	4	4	
		Submission of EEP	R0	Submission of EER on time to the DOL	Submitted EER on time to the DOL	Submission of EER on time to the DOL	Submitted EER on time to the DOL	

### 3.3 BUDGET EXPENDITURE

The overall budget for Corporate Services Department for 2009/2010 was R5, 995 692 and R5, 888 012 was spent which translates to 1,8% under expenditure lower than the previous year of 17%.

